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GTE Service Corporation

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June 13, 1991

Federal Election Commission Office of the General Counsel 999 E Street, N.W. Washington, D.C. 20463

Re: ADVISORY OPINION REQUEST

Dear Sir:

AOR 1991-19

This request is submitted on behalf of GTE Corporation ("GTE") pursuant to 11 C.F.R. §112.1. GTE Corporation recently completed a merger with Contel Corporation ("Contel") by which GTE is the surviving corporation and Contel is currently a wholly-owned subsidiary of GTE. Both GTE and Contel had federal political action committees ("PACs") prior to the merger, the GTE Corporation Political Action Club ("GTE FED-PAC") and the Contel Political Action Committee ("CONTELPAC").

GTE requests an advisory opinion from the Commission that the procedure described below for transferring payroll deductions from CONTELPAC to GTE FED-PAC is in compliance with the Federal Election Campaign Act, as amended, and the Federal Election Commission's regulations.

GTE is currently operating both PACs as affiliated PACs and eventually will consolidate the PACs. Both companies have used payroll deduction to facilitate the voluntary contributions of their employees to their PACs. Those payroll deduction contributions continue to both the GTE FED-PAC and CONTELPAC. Even though the Federal Election Campaign Act and the Commission's regulations provide for unlimited transfers between affiliated committees, GTE anticipates consolidating these committees, and ultimately having one PAC, the GTE FED-PAC.

GTE and Contel are in the process of merging their payroll operations. As part of this internal adjustment, individual employees who have requested payroll deduction for contributions to CONTELPAC will be affected. Those previously authorized payroll deductions will now go to GTE FED-PAC, which will eventually

Federal Election Commission June 13, 1991 Page 2

be merged with CONTELPAC as part of this internal corporate consolidation. GTE will notify in advance each affected individual of this change in his or her payroll deduction, which change will occur simultaneously with the transfer of that individual's payroll from Contel to GTE. GTE will also include all appropriate notices pursuant to 11 C.F.R. §114.5 to this notification letter (i.e., - that all contributions are voluntary, etc.). All contributors will be notified of the merger of the two PACs.

GTE seeks the Federal Election Commission's review and approval that this procedure is in compliance with the Act. Please address your response or any questions to me.

Sincerely.

Gail L. Polivy

Attorney for GTE Corporation